Manitoba Child and Family Poverty REPORT CARD 2014

25 years and children are no better off

END CHILD AND FAMILY POVERTY IN CANADA

Twenty-five years have passed since Canadian leaders made a landmark commitment to our children, this country's most vulnerable residents. On November 24, 1989 all political parties in the House of Commons unanimously passed a resolution to end child poverty in Canada by the year 2000. Ed Broadbent, Leader of the NDP at the time who sponsored the motion, called child poverty our 'national shame'.

In the same year, the United Nations Convention on the Rights of the Child was established and Canada was one of the countries to ratify the convention.

Since 1992, Campaign 2000 To End Child and Family Poverty in Canada, has worked to assure the commitment. The Campaign, driven by community, labour and service NGOs from across Canada have done research, published reports, communicated with government and educated the public about child poverty.

Canada is now far overdue on its pledge to eliminate child poverty. Not only did Canada fail to meet the target, many believe that as a country we've fallen back. One in five children in Canada and 40% of Indigenous children living off-reserve live in poverty. In Winnipeg, food banks provide nourishment for about 20,000 children a month.

Today, more children live in poverty in Canada than when the commitment was made in 1989. In Manitoba there are almost 84,000 children growing up with fewer opportunities and in poorer health than their peers. Poverty rates among children whose families are new immigrants, racialized, Indigenous, led by female lone parents or impacted by disabilities are even more profoundly affected. According to The Office of the Children's Advocate, more than 10,000 children are in the care of Child and Family Services – in 2006 there were about 6,600 children in care. Over 60,000 Manitobans rely on food banks monthly.

According to the Annual Report for All Aboard, Manitoba's Poverty Reduction Strategy, about 11% of the total population live in poverty, although the rates vary according to the measure used (Market Basket Measure rates are at 11.5%, while Low Income Cut Off is 8.9% and the Low Income Measure is at 14% – from various StatsCan Tables)

Since 1989, Manitoba families have experienced social and economic upheaval that has degraded the quality and availability of services, jobs and income supports. Families have weathered free trade, globalization, stagnant wages and a growing trend towards precarious, part-time employment.

Through all of these shifts, governments at both the federal and provincial levels have not been able to meet the commitment to our children. Instead they have prioritized cutting taxes and services. Canada and Manitoba now have some of the lowest corporate tax levels in the industrialized world. Political leaders have reveled in Canada's 'competitive tax rates' while an entire generation of children is being left behind.

TABLE 1: FOOD BANK USE IN CANADA, BY PROVINCE								
Province/Territory	Total Assisted, March 2014	Percent Children, March 2014	Total Assisted, March 2013	Total Assisted, March 2008	Change, 2008-2014	% Change, 2008-	Change, 2013-2014	% Change, 2013-
British Columbia	97,369	30.8%	94,002	78,101	19,268	24.7%	3,367	3.6%
Alberta	49,766	42.9%	48,653	33,580	16,186	48.2%	1,113	2.3%
Saskatchewan	26,820	45.8%	22,465	17,751	9,069	51.1%	4,355	19.4%
Manitoba	61,691	44.3%	60,229	40,464	21,227	52.5%	1,462	2.4%
Ontario	374,698	35.0%	375,814	314,258	60,440	19.2%	-1,116	-0.3%
Quebec	156,895	37.3%	156,750	127,536	29,359	23.0%	14 5	0.1%
New Brunswick	19,590	33.9%	19,989	15,638	3,952	25.3%	-399	-2.0%
Nova Scotia	19,664	29.2%	21,760	16,915	2,749	16.3%	-2,096	-9.6%
Prince Edward Island	3,432	38.0%	3,502	2,892	54 0	18.7%	- 7	-2.0%
Newfoundland & Labrador	26,617	37.7%	26,412	27,260	-643	-2.4%	20 5	0.8%
Territories	4,649	47.0%	3,522	1,340	3,309	246.9%	1,127	32.0%
Canada	**841,191**	36.9%	833,098	675,735	165,456	24.5%	8,093	1.0%

Table 1: Hunger Count 2014, Food Banks Canada

Child poverty exists because we as a society have been unwilling to do what's necessary to resolve it. It is no coincidence that in the same period that taxes and services have been cut, income inequality and therefore poverty continues to grow. Since 1989, the richest Manitoba families have seen their average annual incomes rise by over $51,929 while the lowest income families have only gained $4,937 (from 1989 to 2010 in constant dollars[1]). Promoting income inequality may not be government policy – but it is slowly creeping into Manitoban communities.

We often hear that getting a job, any job, is the antidote to poverty. We rarely hear that quality employment – living wage jobs, with regular hours, benefits and protections – are much harder to find.

More often, we hear the poor being blamed for their poverty or the refrain that now is not the right time for governments to invest in ending poverty. In the late 1990s, funding for childcare, education, affordable housing and social assistance were cut back significantly to address the concern for the nation's debt and deficit. Today, funding for these services still falls well short of what is needed to lift Canadians out of poverty, and restore their health and dignity.

[1] Canadian Centre for Policy Alternatives using Statistics Canada's SLID pre-tax data, 2011.

Modest improvements are not enough. Families on provincial social assistance in Manitoba are living in the deepest poverty. The time has long past to fix a system that has left thousands without the opportunities or resources to determine their future.

Manitoba

The Manitoba government can significantly reduce child poverty by making poverty eradication a priority, with a commitment to persistent, strategic investments. Ending poverty is not only the right thing to do for our children, it is good for the economy and for our health. Currently, child poverty costs Manitoba an estimated $360 million[2] annually. The Canadian Medical Association has said governments must address poverty to improve the health of all Canadians, which pays off in lower health care costs.

While the current federal government has abandoned the notion of a national anti-poverty strategy, Manitoba has shown some leadership through a provincial poverty reduction strategy, which has made some modest gains.

This report looks at child poverty in Manitoba through three statistical comparisons:

1. Manitoba's child poverty rate in 2012 with that of Canada as a whole and the other provinces and territories.
2. Manitoba's child poverty rate from 1989 to 2012, determining the amount of change in the long-term.
3. Manitoba's child poverty rate between 2008 and 2012 with those in Canada as a whole, i.e. the year before Manitoba's All Aboard Poverty Reduction and Social Inclusion Strategy was initiated.

The poverty measure used is Statistics Canada's after-tax Low Income Measure. This data[3] describe LIM as a "fixed percentage (50%) of median adjusted household income, where "adjusted" indicates that household needs are taken into account." This kind of relative measure correlates most strongly with health and developmental outcomes.[4]

Estimates of low income families are based on the 'census family', which is defined as "... a married couple (with or without children of either and/or both spouses), a common-law couple (with or without children of either and/or both partners) or a lone parent of any marital status, with at least one child."[5] The data from the T1 Family File (T1FF) is derived from personal income tax returns and Canadian Child

---

[2] Based on 6,6% of provincial GDP as calculated for Ontario by Laurie, Nathan. 2008. *The Cost of Poverty: An Analysis of the Economic Cost of Poverty in Ontario.* Toronto: Ontario Association of Food Banks.

[3] Statistics Canada. 2012. *Low Income Lines, 2010 WR 2011.*Catalogue no. 75F0002M — No. 002. Ottawa: Statistics Canada.

[4] Raphael, Dennis. 2011. *Poverty in Canada: Implications for Health and Quality of Life*. (second edition). Toronto: Canadian Scholars' Press.

Wilkinson, Richard G., and Kate E. Pickett. 2006. "Income inequality and population health: A review and explanation of the evidence." *Social Science & Medicine* 62 (7): 1768-1784.

Williamson, Deanna L., and Linda Reutter. 1999. "Defining and measuring poverty:
Implications for the health of Canadians." *Health Promotion International* 14 (4): 355-364.

[5] Downloaded from http://www12.statcan.gc.ca/census-recensement/2011/ref/dict/fam004-eng.cfm

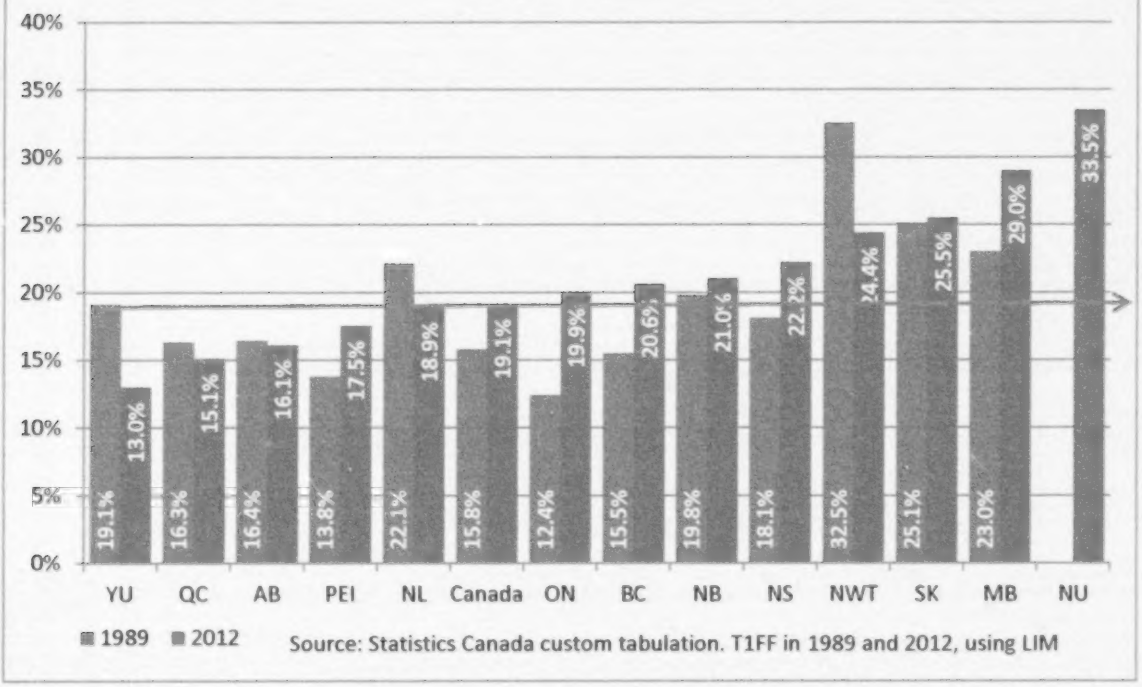
Tax Benefit administrative data. Statistics Canada reports that "the T1FF approximates the total Canadian population", so that it provides valid estimates of poverty rates.[6]

Using this source of data, 18.5% of the Canadian population live with less than the LIM.

Child Poverty Rates

Chart 1 displays child poverty rates for Canada as a whole, with each province and territories for 1989 and 2012. In 2012, Manitoba had the highest child poverty rate of any province, almost 10% above the rate for all of Canada. Almost three out of 10 of Manitoba's children were living in poverty in 2012. Only Nunavut had a higher rate.

Chart 1: Child Poverty Rates in Canada by Province and Territories 1989 and 2012



Source: Statistics Canada custom tabulation. T1FF in 1989 and 2012, using LIM

Chart 2 illustrates the child poverty rates for Manitoba and Canada for 1989 and 2012. In 1989, Manitoba had the second highest child poverty rate of any province, at 23.0%. By 2012, it had grown to 29.0%, an increase of 6 percent. Over the same period, the child poverty rate in Canada as a whole had increased from 15.8% to 19.1%, an increase of 3.3 percent.

[6] Statistics Canada. 2014. "Annual Income Estimates for Census Families and Individuals (T1 Family File) Family Data - User's Guide –" Ottawa, ON: Information Statistics Division, Statistics Canada.

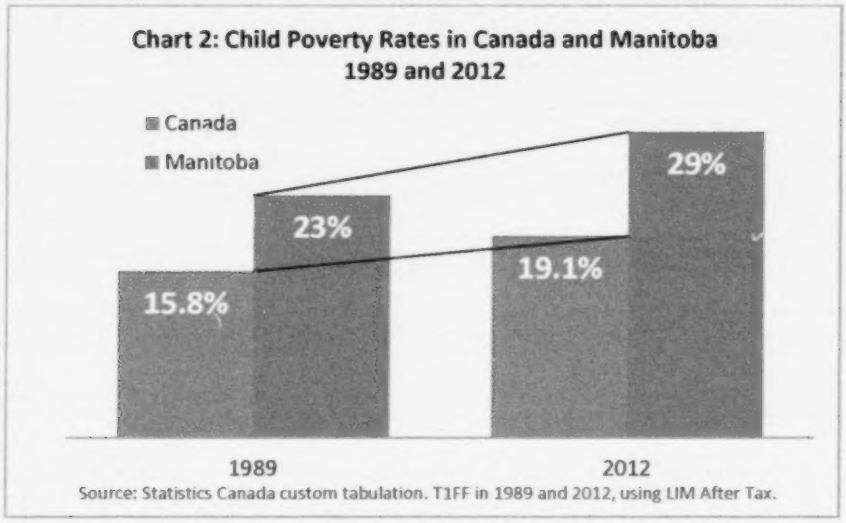
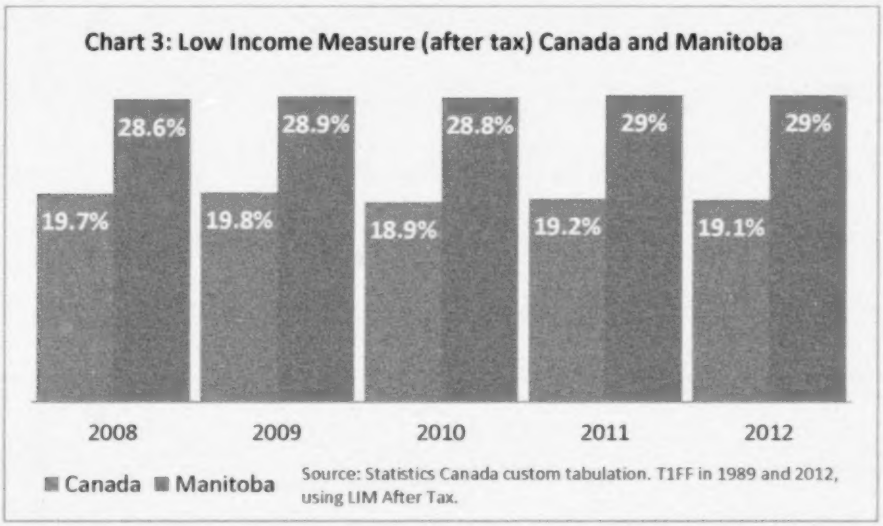


Chart 3 displays changes in the child poverty rate between 2008 and 2012[7] or since the All Aboard strategy began. It can be observed that for Canada as a whole there has been a very small decreasing trend since 2009. This hardly seems remarkable, but it is much better than for Manitoba.



Since the initiation of All Aboard in 2009, Manitoba's child poverty rate has hardly changed. Between 2008 and 2012 there has been an increase of 0.4 percent in Manitoba's child poverty rate (compared to a decrease of 0.6 percent for Canada as a whole). This is small, but must be viewed in the context of a decreasing trend for Canada as a whole.

---

[7] Statistics Canada. *Table 111-0015 - Family characteristics, Low Income Measures (LIM), by family type and family type composition, annual (number unless otherwise noted),* CANSIM

Conclusions and Recommendations

Something is wrong, and children are paying the price. For 25 years, federal and provincial governments, including Manitoba's, have been saying they are concerned about child poverty and are doing something about it. Clearly they are not doing it right or not doing enough.

Manitoba has invested money and made policy changes to benefit children. They have focused on improving Early Development Instrument performance and graduation rates. They have experimented with coordinated programs that are intended to help neighbourhoods, families and schools meet the needs of children. As well, the Province has made a major commitment to child care, including a declared interest in "universal child care" putting Manitoba out ahead of other provinces.

But there is no denying the statistics – more children are living in poverty.

In Manitoba, Indigenous families carry a disproportionate burden of poverty, not because of choice but because of historical and political control on their lives. While immigration is expected to benefit Manitoba, and new Canadians will settle and integrate, but for many their first years will be relegated to poverty conditions.

Service agencies, academics and child activists agree that more can and must be done to right the situation facing thousands of children. We believe all levels of government can increase investment and improve policy support for ending child poverty, in ways that benefit everyone in society, leading to long term prosperity. In particular and for example, Manitoba should focus on:

Housing

- Maintain the commitment to creating new social and affordable housing
- Initiate major improvements to rent supplements for families living in poverty - for example, Rent Assist should be fully budgeted now, not in four years.
- Because of the need, landlords and developers should also play a role and take some responsibility for the shortage of adequate, suitable and affordable housing.
- Make a commitment that no child will ever need to stay in a shelter for the homeless.
- Work with Aboriginal leadership and the Federal Government to address housing for Aboriginal people in urban and rural jurisdictions.

Incomes

- Continue to raise the minimum wage, while implementing reforms to Employment and Income Assistance (EIA) and in particular expanding portable benefits.
- Increase EIA rates for families with children to LIM after tax poverty line
- As government cannot create jobs, the private sector should expand efforts to open new employment opportunities, especially for young people and people with a disability.

Support Services

- Expand services for children who are burdened with abuse, inadequate health and education resources and family breakup. In particular, enhance supports for at-risk children and youth to excel in their education.

- Expand access to food security supports, such as Community Food Centres in neighbourhoods of high need.
- Continue to support the development of regulated child care and universal child care, especially in the community near schools.

Because child poverty in Manitoba is a simmering disaster with little potential for improvement under current efforts, there should be an emergency debate in the legislature. Manitobans should hear the views of their elected representatives and they should all be challenged to find collaborative ways to end child poverty.

As we look back to the child poverty commitment made in 1989, we should be inspired to move forward and do more to reduce the number of people living in poverty in Manitoba. We cannot wait another twenty-five years for the commitment to be realized. Now is the time to act decisively and re-dedicate ourselves to ending child poverty in our time.

Sid Frankel
Associate Professor of Social Work
University of Manitoba

Dennis Lewycky
Executive Director
Social Planning Council

END CHILD AND FAMILY POVERTY IN CANADA

Campaign 2000 is a cross-Canada public education movement to build awareness and support for the 1989 all-party House of Commons' resolution to end child poverty in Canada by the year 2000. Campaign 2000 began in 1991 out of concern about the lack of government progress in addressing child poverty. Campaign 2000's non-partisan coalition consists of more than 120 partner organizations from across the country working at the local, provincial and/or national level to address the realities of poverty. The coalition is united by our dedication to ending child and family poverty in Canada. We propose viable policy solutions to reduce and eradicate child poverty in our annual report cards on child poverty which have been released annually since 1992.

For further information, please contact:
Laurel Rothman - National Coordinator, Campaign 2000, 416-595-9230 Ext. 228 or 416-575-9230
Liyu Guo – Program Assistant, Campaign 2000, 416-595-9230, ext. 244 or 416-624-1885